



On July 13, 2009, Governor Jay Nixon signed House Bill 577 (HB 577) making several updates to the insurance industry in the state of Missouri. HB 577 had previously been passed by both chambers of the Missouri Legislature during the 2009 session. Included within the legislation is language that modernizes the surplus lines industry in Missouri and makes certain provisions of this type of license consistent with those of major lines insurance producers (agents).

Section 384.043, RSMo, was updated to make surplus lines licenses effective for a term of two years. Previously, all surplus lines licensees renewed this type of license every year with an application fee of \$50. **This legislation states that surplus lines licensees shall now renew the license every two years at a cost of \$100. This will be effective for all new surplus lines licenses and all existing surplus lines licenses expiring August 28, 2009 and later.** Licensees who file new applications for surplus lines licenses through the National Insurance Producer Registry (NIPR) will receive a one-year license unless filing after August 27, 2009. After that date, a two-year license will be granted. Licensees with an expiration date after August 27, 2009 should file a paper renewal application if submitting before August 27, 2009 with a \$100 fee in order to receive a two year license. For those who file a renewal application through NIPR please wait until after August 27, 2009 in order to be granted a two year license.

All surplus lines licensees are required to hold an underlying Property and Casualty producer license as a requisite to obtaining and maintaining the surplus lines license. Producer licenses are renewed on a biennial basis on the license anniversary date; the aforementioned surplus lines provisions have no effect upon producer licenses.